

**MONTEREY COUNTY BOARD OF SUPERVISORS BOARD REPORT**

**R1 RCM Inc. Amendment No. 2**

**Legistar Number: A 20-131**

**..Title**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement with R1 RCM Inc. for billing and claim denial appeal services, adding \$40,000 for a revised total agreement amount not to exceed \$140,000, with no changes to the agreement term of December 1, 2015 through November 30, 2020.

**..Report**

**RECOMMENDATION:**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement with R1 RCM Inc. for billing and claim denial appeal services, adding \$40,000 for a revised total agreement amount not to exceed \$140,000, with no changes to the agreement term of December 1, 2015 through November 30, 2020.

**SUMMARY/DISCUSSION:**

R1 RCM provides physician advisory services to support case management by providing utilization review recommendations such as level of care, admission status, and clinical appeal management. Utilization review is essential to billing compliance and is required by CMS and Medi-Cal. Medi-Cal require that each hospital day is adjudicated through the utilization review process. Any hospital day(s) with questionable level of care or admit status need to be reviewed by a California licensed physician who is not involved in the care of the patient; no Medi-Cal claims can be submitted until this process is completed.

**OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel has reviewed and approved this amendment No. 2 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC’s Finance Committee and by its Board of Trustees on May 8, 2020.

**FINANCING:**

The cost for this amendment No. 2 is \$40,000 of which \$40,000 is included in the Fiscal Year 2019-20 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The services rendered in this agreement provide support for the efficient utilization management of resources and billing compliance at Natividad.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Karen Friedrich, Administration, 783-2556

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2553

Attachments:

R1 RCM Inc. Renewal and Amendment 1

Accretive Health Inc. Agreement

Attachments on file with the Clerk of the Board